INFORMATIONAL LETTER

TO: Commissioners of Social Services

SUBJECT: Provisions of P.L. 96-272
Relative to Public Institutions

SUGGESTED DISTRIBUTION: All Child Welfare Staff
Child Placement Staff
Fiscal Staff
Administration Staff
Medical Assistance Staff

DATE: March 2, 1981

CONTACT PERSON: Any questions concerning this release should be directed to Mr.
John R. Quinn, Bureau of Program Assistance, Division of Services,
by calling toll free 1-800-342-3715, extension 30658.

I. PURPOSE

The purpose of this letter is to inform local social services
districts of the need to identify and maintain records on foster
care cases likely to be affected by this provision of P.L. 96-272,
so that retroactive federal reimbursement can be claimed once
18 NYCRR 369.8(a)(5) is amended.

II. BACKGROUND

P.L. 96-272 makes a substantial change in the definition of "child-care
institutions" as used in that Section. The term "child-care institutions",
as amended by P.L. 96-272 would mean "a nonprofit private child-care
institution, or a public child-care institution which accommodates no
more than 25 children, which is licensed by the State in which it is
situated or has been approved by the agency of such State responsible
for licensing or approval of institutions of this type, as meeting the
standards established for such licensing; but the term shall not include
detention facilities, forestry camps, training schools, or any other
facility operated primarily for the detention of children who are determined
to be delinquent."

FILING REFERENCES

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This amendment would be effective with respect to expenditures made on or after the date of enactment of P.L. 96-272 (June 17, 1980).

III. IMPLICATIONS.

The effect of this change in the definition of "child-care institutions" is to permit federal matching for maintenance payments made to children in certain public institutions which accommodate no more than 25 children. The language used in P.L. 96-272 is highly ambiguous and, until Federal regulations are promulgated clarifying the statute, it cannot be determined with certainty which public facilities are intended to be included in the Federal definition of child-caring institution.

IV. RECOMMENDED ACTION.

Local districts should take necessary steps to identify and maintain records for child-care situations which, based upon the new definition of "child-care institution", may qualify for federal matching funds for maintenance and medical payments. Records sufficient for claiming purposes should be maintained with respect to all child care provided in public facilities for 25 or fewer children on or after June 17, 1980.

Note: No change in current claiming procedures will occur as a result of this INF. Any future changes in claiming will be clarified in a subsequent release.

[Signature]

Norris P. Phillips
Deputy Commissioner
Division of Services